

---

## **NORTH AYRSHIRE COUNCIL**

**25 September 2018**

### **Audit and Scrutiny Committee**

---

**Title:** **Internal Audit and Corporate Fraud action plans:  
Quarter 1 update**

**Purpose:** To advise the Audit and Scrutiny Committee on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 30 June 2018.

**Recommendation:** That the Committee (a) notes the current position with the implementation of Internal Audit and Corporate Fraud actions; and (b) challenges those Services that have not implemented actions within the previously agreed timescales.

---

### **1. Executive Summary**

- 1.1. The CIPFA document 'Audit Committee Principles in Local Authorities in Scotland' highlights that Audit Committees should monitor and review the progress made in implementing audit recommendations.
- 1.2. Service managers are responsible for ensuring that agreed actions arising from Internal Audit and Corporate Fraud reviews are implemented. This provides assurance that identified control weaknesses have been addressed and are being managed effectively.
- 1.3. All actions are monitored on the Pentana system and service managers are responsible for updating Pentana as they progress each action. This enables Internal Audit to monitor progress on a 'real-time' basis and address any delays in implementation.
- 1.4. This report details the position at 30 June 2018.

## **2. Background**

- 2.1. The last report to the Audit and Scrutiny Committee on 29 May 2018 highlighted that there were 29 actions outstanding at the end of March 2018: 7 that had not been started or were only partially implemented and 22 where the due date had not yet passed.
- 2.2. In addition to these 29 'carried forward' actions, there have been 55 new actions agreed during quarter 1, giving a total of 84 action points for review.
- 2.3. Services have completed 63 actions since the last report. All services are required to retain evidence of work carried out in completing their actions and Internal Audit carries out 'spot-checks' on a sample of completed actions on an ongoing basis.
- 2.4. Of the remaining 21 actions, 5 were either not started or only partially complete at 30 June and the remaining 16 were not due for completion until after that date.
- 2.5. Appendix 1 to this report provides the Committee with full details of the 5 actions that were not complete within the agreed timescales.
- 2.6. One action relating to data protection awareness training in schools has been delayed until October 2019 and the Head of Service will provide an update to Committee.
- 2.7. Another action relating to password control for staff in schools who access the Education network has been outstanding since June 2016 and the Senior Manager (ICT) will provide an update to Committee.

## **3. Proposals**

- 3.1. It is proposed that the Committee (a) notes the current position with the implementation of Internal Audit and Corporate Fraud actions; and (b) challenges those services that have not implemented actions within the previously agreed timescales.

#### 4. Implications

<b>Financial:</b>	None
<b>Human Resources:</b>	None
<b>Legal:</b>	None
<b>Equality:</b>	None
<b>Children and Young People:</b>	None
<b>Environmental &amp; Sustainability:</b>	None
<b>Key Priorities:</b>	The effective implementation of agreed Internal Audit and Corporate Fraud actions helps to support the efficient delivery of the strategic priorities within the Council Plan 2015-2020.
<b>Community Benefits:</b>	None

#### 5. Consultation

- 5.1. Council Services are consulted during the completion of each Internal Audit and Corporate Fraud review and have also provided updates on progress made in implementing action points.



Laura Friel  
Executive Director (Finance & Corporate Support)

For further information please contact **Paul Doak, Senior Manager (Internal Audit, Risk and Fraud)** on **01294-324561**.

#### Background Papers

None

## Actions due by 30<sup>th</sup> June 2018 but not started or partially complete

Generated on: 21 August 2018

<b>Code</b>	IA2016PA024d	<b>Description</b>	Passwords controls for staff in the schools accessing the Education network should be tightened in line with best practice.		
<b>Priority</b>	2	<b>Latest Note</b>	<p><b>2018/19- Quarter One Update:</b>  <b>Progress:</b> The self-service password reset tool has been procured, installed and configured. Secondary School ICT Technicians should deploy to secondary school teaching devices. The process has commenced with 100 teaching staff in 2 secondary schools completing answers to security questions. This is around 7% of the entire customer base. In Primary, ASN and EYC user data cleansing is required to ensure this is made available only to current teaching staff. This cleansing is progressing.  <b>Next Steps:</b> Teachers and teaching staff should set up their questions and answers as aids for resetting passwords. IT Services and Secondary School ICT Technicians will continue to push the product out to staff devices in more schools as soon as all predecessors are complete. IT Services will force the password change at a time agreed by Education HQ to avoid disruption in schools.  <b>Issues:</b> To minimise disruption and reduce support, the user data cleansing and self-service password reset tool are predecessors to forcing a password reset. The timeline for completing the full process is dependent on a number of factors including teachers registering their answers with the self-service password product. The process will resume again once the schools return from summer break. Expected completion date 31<sup>st</sup> December 2018.</p>		
<b>Progress Bar</b>	<div><div>90%</div></div>	<b>Original Due Date</b>	30-Jun-2016	<b>Due Date</b>	30-Jun-2018
<b>Parent Code &amp; Title</b>	IA2016PA024 Education Network Controls			<b>Managed By</b>	Esther Gunn-Stewart; Brendan Quigley
				<b>Assigned To</b>	Iain Chisholm; Lorna Morley; Brendan Quigley

<b>Code</b>	IA2017PA020b	<b>Description</b>	Data protection information awareness for schools training should be agreed and implemented as soon as possible.		
<b>Priority</b>	1	<b>Latest Note</b>	<b>2018/19 - Quarter One Update:</b> New Completion date - October 2019  The reasons for the long completion date are: <ul style="list-style-type: none"> <li>• Number of staff involved - approx 2000</li> <li>• Training has to be delivered by the Data Protection Officer and ICT Security</li> <li>• Length of sessions - only 2 can be completed each day by trainers</li> <li>• Limited number of school in-service days available each year</li> <li>• Working Time Agreement for teachers requires long term planning to ensure that additional tasks or training is included within allocated time</li> </ul>		
<b>Progress Bar</b>	<div><div>60%</div></div>	<b>Original Due Date</b>	01-Jun-2018	<b>Due Date</b>	01-Jun-2018
<b>Parent Code &amp; Title</b>	IA2017PA020 Email Controls In Education			<b>Managed By</b>	Andrew McClelland
				<b>Assigned To</b>	Calum Maxwell

<b>ode</b>	IA2017PA022b	<b>Description</b>	The process for retrieving records should be reviewed, if possible including the use of the new database for recording retrievals.		
<b>Priority</b>	3	<b>Latest Note</b>	<b>2018/19 - Quarter One Update:</b> The project continues to progress well, with all elements of previously defined Phase 1 and Phase 2 complete, and delivery on track for end 2018/19 Q2. This includes processing new consignments, requests and retrievals, and the data migration from the old system.  The remaining tasks are – <ol style="list-style-type: none"> <li>1. Create a training manual and a communications and delivery plan for roll out to all Services. Scoping exercise is to be carried out</li> <li>2. Incorporate enhanced audit and controls to provide a higher level of management information and reporting. A scoping exercise is underway with IT.</li> </ol>		
<b>Progress Bar</b>	<div><div>75%</div></div>	<b>Original Due Date</b>	30-Sep-2017	<b>Due Date</b>	30-Jun-2018
<b>Parent Code &amp; Title</b>	IA2017PA022 Information Governance			<b>Managed By</b>	Esther Gunn-Stewart; Elizabeth Quinn
				<b>Assigned To</b>	Lauren Lewis; Elizabeth Quinn

<b>Code</b>	IA2018PA015b	<b>Description</b>	A formal procurement exercise in accordance with the Standing Orders relating to Contracts should be undertaken to appoint a contractor to supply pre - prepared sandwiches		
<b>Priority</b>	2	<b>Latest Note</b>	<b>2018/19- Quarter One Update:</b> There is a delay due to the decision to consider delivering in-house sandwiches or to engage with a supply partner, final tasting session with young people will be continued after August when children return from holidays.  Expected to be complete by the end of September 2018		
<b>Progress Bar</b>	<div><div>75%</div></div>	<b>Original Due Date</b>	15-Jun-2018	<b>Due Date</b>	15-Jun-2018
<b>Parent Code &amp; Title</b>	IA2018PA015 Facilities Management Procurement			<b>Managed By</b>	Yvonne Baulk
				<b>Assigned To</b>	Ken Campbell

<b>Code</b>	IA2018PA034a	<b>Description</b>	The website is currently being reviewed. This review should take into consideration changing technologies, better customer information, more accessible booking forms and on-line payment processes. Regular seasonal updates will ensure that the information available to the public is up to date and links to online forms and documents work.		
<b>Priority</b>	2	<b>Latest Note</b>	<b>2018/19- Quarter One Update:</b> Discussions are still ongoing regarding the online payment options. This is expected to be completed in December 2018.		
<b>Progress Bar</b>	<div><div>90%</div></div>	<b>Original Due Date</b>	31-Mar-2018	<b>Due Date</b>	31-May-2018
<b>Parent Code &amp; Title</b>	IA2018PA034 Eglinton Country Park			<b>Managed By</b>	Audrey Sutton
				<b>Assigned To</b>	Lesley Forsyth